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AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

**DOCKETED**

AUG 27 2012

DOCKETED BY

*Attorneys for Crystal Pistol Resources, LLC, Crystal Pistol Management, LLC, Liberty Bell Resources I, LLC and John McNeil*

**BEFORE THE ARIZONA CORPORATION COMMISSION**

In the matter of:

CRYSTAL PISTOL RESOURCES, LLC, a  
Nevada limited liability company,

CRYSTAL PISTOL MANAGEMENT, LLC,  
a Nevada limited liability company,

LIBERTY BELL RESOURCES I, LLC, a  
Nevada limited liability company,

PETER POCKLINGTON, a married man,

and

JOHN M. McNEIL, an unmarried man,

Respondents.

DOCKET NO. S-20845A-12-0134

**ANSWER TO NOTICE OF  
OPPORTUNITY FOR HEARING  
OF RESPONDENTS CRYSTAL  
PISTOL RESOURCES, LLC,  
CRYSTAL PISTOL  
MANAGEMENT, LLC, LIBERTY  
BELL RESOURCES I, LLC AND  
JOHN MCNEIL**

For their Answer to the Arizona Corporation Commission's Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, Order for Restitution, Order for Administrative Penalties and Order for Other Affirmative Action (the "Notice"), Respondents Crystal Pistol Resources, LLC, Crystal Pistol Management, LLC, Liberty Bell Resources I, LLC and John McNeil deny all allegations of the Notice unless expressly admitted herein, and further admit, deny, and allege as follows:

1. Respondents deny the allegations contained in paragraph 1 of the Notice.

1           2.     Respondents deny the allegation in paragraph 2 that CPR is conducting  
2 business from Scottsdale, Arizona.

3           3.     Respondents deny the allegation in paragraph 3 that CPM is conducting  
4 business from Scottsdale, Arizona.

5           4.     Respondents deny the allegation in paragraph 4 that Liberty Bell is  
6 conducting business from Scottsdale, Arizona.

7           5.     Respondents admit the allegations in paragraph 5, except that they lack  
8 information to admit or deny the first sentence of paragraph 5 and therefore deny that  
9 allegation.

10          6.     Respondents admit the allegations contained in paragraph 6.

11          7.     The allegations in paragraph 7 relate to definitions used in the Notice and  
12 do not require a response.

13          8.     The allegations in paragraph 8 relate to definitions used in the Notice and  
14 do not require a response.

15          9.     The allegations in paragraph 9 relate to definitions used in the Notice and  
16 do not require a response.

17          10.    Respondents admit the allegations contained in paragraph 10 and note that  
18 the purpose of CPR and additional information relating to those allegations are set forth  
19 in the CPR Private Placement Memo ("PPM"), which speaks for itself.

20          11.    Respondents admit, upon information and belief, the allegations contained  
21 in paragraph 11.

22          12.    Respondents admit, upon information and belief, the allegations contained  
23 in paragraph 12.

24          13.    Respondents admit, upon information and belief, the allegations contained  
25 in paragraph 13.

26          14.    Respondents deny the allegations contained in paragraph 14.

27          15.    Respondents admit the allegations contained in paragraph 15.

28          16.    Respondents admit the allegations contained in paragraph 16.

1           17.    The materials cited in paragraph 17 speak for themselves, and Respondents  
2 therefore deny the allegations contained in paragraph 17.

3           18.    The materials cited in paragraph 18 speak for themselves, and Respondents  
4 therefore deny the allegations contained in paragraph 18.

5           19.    Respondents deny the allegations contained in paragraph 19.

6           20.    Respondents admit the first sentence and deny the second sentence of the  
7 allegations contained in paragraph 20.

8           21.    Respondents deny the allegations contained in paragraph 21.

9           22.    Respondents admit the allegation in paragraph 22 to the extent it alleges  
10 that certain investors and potential investors elected to visit the mine site.

11          23.    The materials cited in paragraph 23 speak for themselves, and Respondents  
12 therefore deny the allegations contained in paragraph 23.

13          24.    Respondents deny the allegations contained in paragraph 24.

14          25.    The PPM cited in paragraph 25 speaks for itself, and Respondents therefore  
15 deny the allegations contained in paragraph 25.

16          26.    Respondents deny the allegations contained in the first, second and fourth  
17 sentences in paragraph 26.

18          27.    Respondents lack information to admit or deny the allegations in paragraph  
19 27, and note that the CPR 43-101 Reports speak for themselves, and therefore deny the  
20 allegations in paragraph 27.

21          28.    Respondents deny the allegations contained in paragraph 28.

22          29.    Respondents deny the allegations contained in paragraph 29.

23          30.    Respondents deny the allegations contained in paragraph 30.

24          31.    Respondents deny the allegations contained in paragraph 31.

25          32.    Respondents admit the allegations contained in paragraph 32 and note that  
26 the purpose of Liberty Bell, and additional information relating to these allegations, are  
27 set forth in the Liberty Bell Private Placement Memo ("LB PPM"), which speaks for  
28 itself.

1           33. Respondents admit the allegations contained in paragraph 33 and note that  
2 the purpose of Liberty Bell, and additional information relating to these allegations, are  
3 set forth in the LB PPM, which speaks for itself.

4           34. Respondents deny the allegations contained in paragraph 34 and note that  
5 the purpose of Liberty Bell, and additional information relating to these allegations, are  
6 set forth in the LB PPM, which speaks for itself.

7           35. Respondents admit the allegations contained in paragraph 35 and note that  
8 the purpose of Liberty Bell, and additional information relating to these allegations, are  
9 set forth in the LB PPM, which speaks for itself.

10          36. Respondents admit the allegations contained in paragraph 36 and note that  
11 the purpose of Liberty Bell, and additional information relating to these allegations, are  
12 set forth in the LB PPM, which speaks for itself.

13          37. The Form D materials cited in these allegations speak for themselves, and  
14 Respondents therefore deny the allegations contained in paragraph 37 and refer to the  
15 language of the Form D's cited.

16          38. Respondents admit the allegations contained in paragraph 38.

17          39. Respondents admit the allegations contained in paragraph 39.

18          40. Respondents deny the allegations contained in paragraph 40.

19          41. Respondents admit the allegations contained in paragraph 41 and note that  
20 additional information relating to these allegations are set forth in the LB PPM  
21 Supplement, which speaks for itself.

22          42. Respondents deny the allegations contained in paragraph 42 and note that  
23 additional information relating to these allegations are set forth in the LB PPM and  
24 Supplemental LB PPM, which speak for themselves.

25          43. Respondents admit the first and second sentences of paragraph 43 and deny  
26 the third sentence of paragraph 43.

27          44. Respondents deny the allegations contained in paragraph 44.

28          45. Respondents deny the allegations contained in paragraph 45.

46. Respondents admit that Liberty Bell acquired substantially all of the assets of CPR, and refer to the closing documents and the LB PPM, which speak for themselves.

47. Respondents admit that CPR investors received unit certificates in Liberty Bell, and refer to the closing documents and the LB PPM, which speak for themselves.

48. Respondents deny the allegations of paragraph.

## AFFIRMATIVE DEFENSES

The following affirmative defenses nullify any potential claims asserted by the Division. Respondents reserve the right to amend this Answer upon the completion of discovery and receipt of further information and disclosures from the Division.

1. The Notice fails to state a claim upon which relief can be granted.

2. The ACC has not demonstrated the elements or met the applicable standards to obtain any of the relief it seeks.

3. Respondents did not offer or sell securities to Arizona residents.

4. Respondents did not engage in activity that required registration with the ACC's Securities Division.

5. If the program at issue is determined to be a security, it was exempt from registration and/or sold in an exempt transaction.

6. Respondents did not act with the requisite scienter.

7. The Division has failed to plead fraud with the particularity required by Rule 9(b) of the Arizona Rules of Civil Procedure.

8. The alleged investors suffered no injuries or damages as a result of Respondents' alleged conduct, acts or omissions.

9. Respondents did not employ a device, scheme or artifice to defraud.

10. Respondents did not intentionally make any untrue statements of material fact.

11. The alleged investors could not have reasonably relied on any alleged oral statement or action by Respondents.

12. Respondents did not engage in any transaction, practice or course of conduct that operated as a fraud upon the alleged investors.

13. Any alleged injury to the alleged investors was caused, at least in part, by the actions of the Division or other third parties.

14. Restitution is not an appropriate remedy.

15. If restitution or rescission were ordered, the ACC should, in its discretion, reduce the amount, if any, Respondents are ordered to pay.

16. Respondents did not violate A.R.S. §§ 44-1841, -1842, or -1991.

17. Any alleged oral misrepresentations were made without the authority of Respondents.

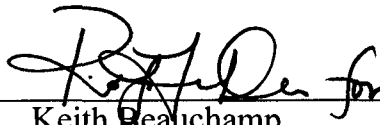
18. This proceeding before the ACC denies Respondents essential due process and is lacking in fundamental fairness. Respondents' constitutional rights will be further denied if they are not afforded a trial by jury in this matter.

19. The Division must comply with Rule 26.1 of the Arizona Rules of Civil Procedure and provide disclosures to Respondents in accordance with that Rule.

20. Respondents allege such other affirmative defenses in Ariz. R. Civ. P. 8(c) as may be determined to be applicable after disclosures from the Division and discovery.

DATED this 27th day of August, 2012.

**COPPERSMITH SCHERMER & BROCKELMAN PLC**

By   
Keith Beauchamp

*Attorneys for Crystal Pistol Resources, LLC,  
Crystal Pistol Management, LLC, Liberty Bell  
Resources I, LLC and John McNeil*


1 ORIGINAL and 13 copies filed August 27, 2012 with:

2 Arizona Corporation Commission  
3 Docket Control  
4 1200 W. Washington  
5 Phoenix, AZ 85007

6 COPIES of the foregoing served via  
7 United States Mail on August 27, 2012, to:

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9 Arizona Corporation Commission  
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